CHAPTER 244

## LABOR AND INDUSTRY

HOUSE BILL 93-1264

BY REPRESENTATIVES Allen, Foster, and Lawrence; also SENATOR Ament.

## AN ACT

CONCERNING THE COLLECTION OF DATA ON CLOSED INDEMNITY CLAIMS BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LABOR AND EMPLOYMENT, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

Be it enacted by the General Assembly of the State of Colorado:

**SECTION 1.** 8-44-113 (1), (2), (3), and (4), Colorado Revised Statutes, 1986 Repl. Vol., as amended, are amended to read:

- **8-44-113.** Data from insurance carriers and self-insured employers related to workers' compensation studies related to workers' compensation system. (1) (a) The director shall work with the commissioner of insurance, who shall promulgate rules for the purpose of collecting data and statistics regarding the workers' compensation system of Colorado and insurance companies covering such risk. These regulations shall be promulgated no later than December 31, 1991. The regulations shall provide for the collection of statistics from licensed insurance carriers and the Colorado compensation insurance authority concerning the costs of providing benefits pursuant to articles 40 to 47 of this title. The data collected pursuant to this subsection (1) PARAGRAPH (a) shall be for the confidential use of the commissioner and employees of the division of insurance. Any person who releases confidential data obtained under this subsection (1) PARAGRAPH (a) commits a class 2 misdemeanor and shall be punished as provided in section 18-1-106, C.R.S.
- (b) The data specified in paragraph (a) of this subsection (1) and data supplied by the executive director pursuant to subsection (4) of this section shall be collected by the commissioner of insurance, who shall report the results of the data collection to the general assembly within the first thirty days of each year commencing in January, 1993.

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

- (c) THE COMMISSIONER OF INSURANCE SHALL HAVE THE AUTHORITY TO SUSPEND OR REVOKE THE LICENSE OR AUTHORITY OF ANY INSURANCE CARRIER WHO DOES NOT FULLY COMPLY WITH THE COMMISSIONER'S DATA COLLECTION REGULATIONS PROMULGATED PURSUANT TO THIS SECTION.
- (2) The data specified in subsection (1) of this section shall be collected by the commissioner of insurance, and the commissioner of insurance shall report the results of the data collection to the general assembly within the first thirty days of each year commencing in January, 1993.
- (3) The commissioner of insurance shall have the authority to suspend or revoke the license or authority of any insurance carrier who does not fully comply with the commissioner's data collection regulations promulgated pursuant to this section.
- (4) (a) Self-insured employers shall continue under the authority of the executive director of the department of labor and employment as provided in part 2 of this article. The executive director shall promulgate a data reporting regulation for self-insured employers by August 1, 1991. The executive director shall consider the data reporting regulation of the division of insurance.
- (b) The executive director annually shall collect data from self-insured employers comparable to the data collected from insurers by the commissioner of insurance for purposes of updating the 1993 Colorado workers' compensation closed claim study. The general assembly intends that this data collection requirement be no more burdensome than necessary and that each element of the data collected and all elements of data be no more inclusive than the corresponding element of data and all elements collected by the commissioner of insurance. In addition:
- (I) ELEMENTS OF DATA REQUIRED TO BE COLLECTED PURSUANT TO THIS PARAGRAPH (b) THAT HAVE BEEN PREVIOUSLY REPORTED BY SELF-INSURED EMPLOYERS TO THE EXECUTIVE DIRECTOR SHALL BE EXTRACTED FROM THE DEPARTMENT'S DATA BASE AND SHALL NOT BE REQUIRED TO BE REPORTED PURSUANT TO THIS SECTION;
  - (II) DATA SHALL BE COLLECTED ON CLOSED INDEMNITY CLAIMS ONLY;
- (III) DATA SHALL BE COLLECTED ANNUALLY ON NOVEMBER 15 OF EACH YEAR; AND
- (IV) CLOSED INDEMNITY CLAIM DATA SHALL BE COLLECTED FROM SELF-INSURED EMPLOYERS BY THE EXECUTIVE DIRECTOR ON A RANDOM-SAMPLE BASIS. THE NUMBER OF CLAIMS SELECTED BY THE EXECUTIVE DIRECTOR FOR DATA COLLECTION SHALL BE NO GREATER THAN THAT ESTABLISHED BY THE COMMISSIONER OF INSURANCE FOR PURPOSES OF THE REPORT PURSUANT TO PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION.
- (c) Data required under this section SUBSECTION (4) shall be provided by the executive director of the department of labor and employment to the commissioner

of insurance for <del>annual reporting</del> THE PURPOSE OF INCLUSION IN THE COMMISSIONER'S ANNUAL REPORT CONTEMPLATED IN PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION.

- (d) This subsection (4) is repealed, effective July 1, 1996.
- **SECTION 2. Appropriation.** In addition to any other appropriation, there is hereby appropriated, out of any moneys in the workers' compensation cash fund not otherwise appropriated, to the department of labor and employment, for the fiscal year beginning July 1, 1993, the sum of six thousand three hundred dollars (\$6,300), or so much thereof as may be necessary, for the implementation of this act.
- **SECTION 3. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 6, 1993